

M. Corrective Action

1. Corrective Actions

[Federal Planning Guidance: Describe the corrective actions the State will take for each program, as applicable, if performance falls short of expectations.]

The Arkansas Workforce Investment Board has developed the system of corrective action that is outlined in Attachment M-1. The appeals process is outlined in Attachment M-2.

Local areas should put into place a system of sound fiscal policies, monitoring, and corrective action similar to that of the state system in order to ensure that all funds received are spent in accordance with all applicable laws, regulations, and direction of the state and local workforce investment boards.

Information concerning evaluation and corrective actions to be taken by each program in the State Unified Plan is outlined below:

PERKINS III (SECONDARY AND POSTSECONDARY) AND TECH PREP

Perkins recipients will be evaluated each year to determine that they are making substantial progress in achieving the expected levels of performance. If a recipient is not making substantial progress, the Arkansas Department of Workforce Education (ADWE) will conduct an assessment of the educational needs that the recipient must address to overcome the performance deficiencies. ADWE and recipient will enter into an improvement plan based on the results of the assessment. Regular evaluations of the progress being made toward reaching the performance expectations will be made by ADWE.

WORKFORCE INVESTMENT ACT TITLE I (YOUTH, ADULT, AND DISLOCATED WORKER)

The Workforce Investment Board and the Arkansas Employment Security Department (AESD) will monitor Title I performance on a regular basis and will review program performance on site at least once a year. Corrective action plans will be required when necessary. Both entities will offer technical assistance and training targeted to correct problem areas and will encourage local program operators to obtain additional assistance and training on their own, as appropriate.

ADULT EDUCATION AND FAMILY LITERACY

Adult education and literacy councils that fail to meet the performance expectations during a program year will be required to submit a program improvement plan. The improvement plan

will address each performance indicator that was not met and will include measurable objectives for correcting deficiencies. Technical assistance will be provided by the adult education program managers who will monitor performance.

Programs that fail to meet performance expectations for a second consecutive year will be assigned a State Technical Assistance Team to assist the program in addressing its deficiencies. Failure to meet state and federal core indicators of performance for three consecutive years will result in that program being referred to the State Board of Workforce Education and Career Opportunities for appropriate action to determine if funding will be continued.

If unexpected circumstances cause a significant change in the factors of the State Plan, the Department of Workforce Education (DWE) may request that its level of performance described in the State Plan be revised. The Secretary, after collaboration with the representatives described in Title I, Subtitle B, Chapter 6, Section 136 j- Performance Accountability System of the Workforce Investment Act of 1998, shall issue objective criteria and methods for making such revisions.

FOOD STAMP EMPLOYMENT AND TRAINING PROGRAM

The State is responsible for implementing any required corrective actions.

TRADE ACT PROGRAMS

Program problems or areas for improvement are discovered through regular work processes or through special monitoring reviews by AESD or USDOL. As this occurs, corrective actions are taken, such as rewriting procedures, providing additional training, or other appropriate actions.

WAGNER-PEYSER ACT

Since AESD uses performance information as one factor in allocating positions to local offices, failure to perform will result in fewer positions available in a particular local office. If the location of an office is deemed important, however, it is anticipated that staff training will be recommended before an office's staffing is reduced beyond the point of effectiveness.

VOCATIONAL REHABILITATION PROGRAM

1. ARKANSAS REHABILITATION SERVICES

ARS is closely monitored for program performance by the Rehabilitation Services Administration (RSA) to ensure compliance with the Act, the regulations and the required

evaluation standards and performance indicators. If the program is not in compliance or fails to meet required levels of performance, the Commissioner of RSA offers technical assistance and a plan for corrective action. If the program continues to be out of compliance or fails to meet the requirements of corrective action, funds may be withheld from the program for operation of part or all of the program that is not in compliance. ARS has not had significant compliance issues and has consistently excelled in the meeting the performance standards. Details concerning evaluation by RSA are discussed in 1(a) below.

- **DIVISION OF SERVICES FOR THE BLIND**

The Rehabilitation Services Administration monitors the performance of the Division of Services for the Blind. Written reports are submitted to DSB identifying compliance areas, DSB's performance, and technical assistance provided by RSA and additional technical assistance that may be required. In the event DSB is determined to be out of compliance or not meeting its goals and objectives, a corrective action plan must be submitted. The corrective action plan must address steps being taken to meet the requirements and provide completion dates to estimate the length of time it will take to meet all requirements of the deficiency area. Progress reports are to be submitted to RSA. Details concerning the evaluation by RSA are contained in 1(a) below.

VETERANS PROGRAMS

Agency staff members review monthly reports to determine when corrective action is required in order to meet the performance standards negotiated with the Veterans Employment and Training Service (VETS). VETS monitors programs periodically and requests corrective action when performance does not meet standards.

UNEMPLOYMENT INSURANCE

Program problems or areas for improvement are discovered through regular work processes or through special monitoring reviews by AESD or USDOL. As this occurs, corrective actions are taken, such as rewriting procedures, providing additional training, or other appropriate actions. Additional information concerning evaluation is given below in 1(b).

TANF

If performance falls short of expectations, corrective action is taken to address that specific performance failure. Corrective action may be taken at the local level only if the problem is localized. Statewide corrective action may be initiated if deemed appropriate.

WELFARE-TO-WORK

The Welfare-to-Work program began in Arkansas in 1998. It is a complex program, and rules continue to evolve at the federal and state levels. The program was amended in the fall of 1999, but most of the amendments are not effective until July 1, 2000. So far, the program has not been funded beyond June 30, 2000. Because of this situation, corrective action has been and likely will continue to be aimed at pointing out problems and attempting to resolve them. It is not anticipated any punitive corrective action will be taken for low levels of performance unless the program is re-funded and continues on a longer-term basis.

SCSEP

The Title V coordinator will provide technical assistance or develop training for AAAs who are deficient in performing their goals. Corrective action plans will be developed if a serious deficiency is discovered during an assessment.

CSBG

Any eligible entity that has a downward program variance of 20% or more must provide a satisfactory explanation. Corrective action will be required when appropriate. The corrective action statement must detail how and when the eligible entity plans to meet its goals. If the eligible entity fails to meet its goals, other progressive action steps, which may include termination, will be implemented.

(a) Vocational Rehabilitation

[Federal Planning Guidance: Include the results of an evaluation of the effectiveness of the vocational rehabilitation program, and a report jointly developed with the State Rehabilitation Council (if the State has a Council) on the progress made in improving effectiveness from the previous year including: An evaluation of the extent to which program goals were achieved and a description of the strategies that contributed to achieving the goals. To the extent the goals were not achieved, a description of the factors that impeded that achievement. An assessment of the performance of the State on the standards and indicators established pursuant to section 106 of the Act. (Sec. 101(a)(15)(E)(i))]

ARKANSAS REHABILITATION SERVICES (ARS)

The state vocational rehabilitation programs are enacted through the Vocational Rehabilitation Act (Title IV of the WIA of 1998) and have been provided through state and federal matching funds since 1973. The goals and priorities are reviewed and monitored by the Region VI Rehabilitation Services Administration (RSA). Oversight is provided to ARS by RSA through national benchmarks, evaluation standards and performance indicators, on-site monitoring and the Self-Assessment Guide.

While Rehabilitation Services Administration (RSA) performance-based evaluation focuses on a State agency as the unit of analysis, the National Performance Plan and the standards and indicators outlined by RSA can be quite useful to State agencies in monitoring the functioning of their offices within the State.

To take advantage of this unique opportunity, Arkansas Rehabilitation Services and the Rehabilitation Council of Arkansas elected to generate an evaluation report that would serve both purposes. As indicated in the evaluation report that follows this section, graphs are used to present a summative measure of ARS performance. The graphs document the performance of the agency as a whole. By contrast the tables document the contributions of each field office to that standard and are used in corrective action. Correspondence in the evaluation measures to assess the effectiveness of the program as a whole and at the field office level ensures total alignment and compliance of the vocational rehabilitation program in the state with the vision and goals set forth in Federal Legislation.

RSA specification of performance benchmarks relays an unequivocal message regarding the effectiveness of the State programs it funds. The graphs that follow document Arkansas Rehabilitation Services stellar performance in FY 1998. This is due to the close monitoring of the program's activities through monthly reports and feedback to field offices.

This trend is expected to continue as constant efforts are being made in every section toward streamlining and efficiency. Innovative and more cost-effective methods of data collection to meet federal requirements are constantly explored. For example, the distribution of consumer satisfaction survey forms developed by the Rehabilitation Council is becoming an integral part of case closure procedures and serves several purposes in addition to fulfilling a soon to be federal requirement. Access to Social Security and Economic Security Division information is invaluable and cost-effective over other strategies in documenting long-term employment outcomes.

Arkansas Rehabilitation Services' Annual Client Services Review Report for FY 1998 submitted to March 1999 is included as Attachment M-3.

M. 1. (a) (ii)

To The Extent That The Goals Were Not Achieved, A Description Of The Factors That Impeded The Achievement Of The Goals

ARS proactive philosophy is such that any anticipated impediment to progress is dealt with in a timely manner. As a result no impediments were detected by the Rehabilitation Services Administration to the achievement of our goals.

M. 1. (a) (iii)

An Assessment Of The Performance On The Standards And Indicators Established Pursuant To Section 106

Standard 1: Employment Outcomes

Performance Indicator 1.1 The number of individuals exiting the VR program who achieved an employment outcome during the current performance period compared to the number of individuals who exit the program after achieving an employment outcome during the previous performance period.

[Performance level: Equal or exceed previous performance period for both General/Combined and Blind DSUs.]

The data indicates that the number of individuals in Arkansas who achieved an employment outcome increased during the last years that data is available from 2,627 in FY 97 to 2,779 in FY 98. This is an increase of 5.8%. (Please refer to Chart 1.1.)

Performance Indicator 1.2 Of all individuals who exit the VR program after receiving services, the percentage who are determined to have achieved an employment outcome.

[Performance level: 55.8% for General/Combined]

The data indicates that 72.8% of the individuals in Arkansas who exited the VR program after receiving services achieved an employment outcome, which exceeds Performance Indicator 1.2 federal benchmark of 55.8%. (Please refer to chart 1.2.)

Performance Indicator 1.3 Of all individuals determined to have achieved an employment outcome, the percentage who exit the VR program in competitive, self-, or BEP employment with earnings equivalent to at least the minimum wage.

[Performance level: 72.6% for General/Combined and 35.4% for Blind DSUs]

The data indicates that the percentage of individuals determined to have achieved an employment outcome, who exited the VR program in competitive, self-, or BEP employment with earnings equivalent to at least the minimum wage was 77.3% in Arkansas which exceeds the federal benchmark of 72.6%. (Please refer to Chart 1.3.)

Performance Indicator 1.4 Of all individuals who exit the VR program in competitive, self-, or BEP employment with earnings equivalent to at least the minimum wage, the percentage who are individuals with significant disabilities.

[Performance level: 62.4% for General/Combined and 89.0% for Blind DSUs]

The data indicates that of all individuals who exited the VR program in competitive, self-, or BEP employment with earnings equivalent to at least the minimum wage, the percentage who were individuals with significant disabilities in Arkansas was 90.0% which exceeds the federal benchmark of 62.4%. (Please refer to Chart 1.4.)

Performance Indicator 1.5 The average hourly earnings of all individuals who exit the VR program in competitive, self-, or BEP employment with earnings levels equivalent to at least the minimum wage as a ratio to the State's average hourly earnings for all individuals in the State who are employed (as derived from the Bureau of Labor Statistics report "State Average Annual Pay" for the most recent available year).

[Performance level: A ratio of 0.52 for General/Combined and 0.59 for Blind DSUs]

The data indicates that in Performance Indicator 1.5 in Arkansas the ratio was .74, which exceeds the federal benchmark of 0.52. (Please refer to Chart 1.5.)

Performance Indicator 1.6 Of all individuals who exit the VR program in competitive, self-, or BEP employment with earnings equivalent to at least the minimum wage, the difference between the percentage who reported their own income as the largest single source of economic support at exit and the percentage who reported their own income as the largest single source of economic support at application.

[Performance level: 53.0% mathematical difference in percentage for General/Combined and 30.4% for Blind DSUs]

The data indicates that in Performance Indicator 1.6, the mathematical difference between the percentage who reported their own income as the largest single source of economic support at exit and the percentage who reported their own income as the largest single source of economic support at application was 71.4% in Arkansas which exceeds the federal benchmark of 53.0%. (Please refer to Chart 1.6.)

Performance Indicator 1.7 Of all individuals exiting the VR program in full-time competitive employment, the percentage exiting the VR program in full-time competitive employment who can enroll in a medical insurance plan that covers hospitalization and is made available through the individual's place of employment.
[Performance level: 50.6% for General/Combined and 49.3% for Blind DSUs]

The data indicates that in Performance Indicator 1.7, of all individuals exiting the VR program in full-time competitive employment, the percentage exiting the VR program in full-time competitive employment who can enroll in a medical insurance plan that covers hospitalization and is made available through the individual's place of employment was 71.0% in Arkansas as opposed to the federal benchmark of 50.6%. (Please refer to Chart 1.7.)

Standard 2: Equal Access to Services

Performance Indicator 2.1 The service rate for all individuals with disabilities from minority backgrounds as a ratio to the service rate for all non-minority individuals with disabilities.
[Performance level: Ratio of 0.80 for both General/Combined and Blind DSUs]

The data indicates that in Performance Indicator 2.1, the service rate for all individuals with disabilities from minority backgrounds as a ratio to the service rate for all non-minority individuals with disabilities was 0.939 in Arkansas which exceeds the federal benchmark of 0.80. (Please refer to Chart 2.1.)

DIVISION OF SERVICES FOR THE BLIND (DSB)

The goals and priorities are reviewed and monitored by the Region VI Rehabilitation Services Administration (RSA). The RSA Regional Office State Representative conducts the review and submits a written report of findings. DSB review the findings of each review and submits a corrective action plan to the RSA Regional Office. The RSA Regional Office reviews the corrective action plan and negotiates with DSB particulars of the review and time frames for completion. Progress reports on the completion of the items cited in the review findings are

submitted to the RSA Regional Office as indicated in the DSB corrective action plan. The latest RSA on-site RSA review was conducted June 23-25, 1999.

The RSA completed its review of the FY 1999 Self-Assessment and Technical Assistance Guide submitted by DSB. The December 1, 1999 report of the findings indicated the following.

- Collaboration With Other Agencies, Particularly with Partners Under the Workforce Investment Act (WIA).

The review found DSB in compliance with the requirements of the Act regarding collaboration with other agencies and WIA Partners.

- The determination of Eligibility, Particularly the Presumption of Eligibility of Individuals Receiving Social Security Benefits.

The review found DSB to be in compliance regarding the presumptive eligibility for SSDI recipients and SSI beneficiaries with the requirement of Section 102(a)(3) of the Rehabilitation Act of 1973, as amended (the Act).

- Development of the Individualized Plan for Employment (IPE)

The review found DSB in compliance with the requirements of the Rehabilitation Act of 1973, as amended (the Act) regarding the Individualized Plan for Employment.

- Mediation and Due Process

The review found DSB in compliance regarding the requirements for Mediation and Due Process as required by Section 102(c)(1) through (5) of the Rehabilitation Act of 1973, as amended (the Act).

- Comprehensive System of Personnel Development

The agency is in compliance with the requirements of Section 101(a)(7)(A) of the Rehabilitation Act of 1973, as amended (the Act) and 34 CFR 361.18 with regards to the Comprehensive System of Personnel Development.

- Fiscal Provisions

No significant problems or compliance issues were noted in this section of the FY 1999 review.

- Designated State Agency and Designated Unit Requirements

The agency meets the requirements of Section 101(a)(2)(B) of the Act.

- Information and Referral Services to Individuals Not Served by States on an Order of Selection

The review found that DSB is in compliance with the requirements regarding information and referral of individuals who do not meet the agency's Order of Selection

- Informed Choice

The review found that DSB is in compliance with the statutory and regulatory requirements regarding Informed Choice.

- Record of Services Documentation Requirements

The review found that DSB is in Compliance with the requirements regarding Service Record Documentation.

RSA Summary comments:

Based upon the answers to the questions of the FY 1999 Self-Assessment and Technical Assistance Guide and the on-site discussions held between the agency's staff and the State Representative it was determined that DSB has no major problems or compliance issues. The agency, however, must proceed with the implementation of the practices, policies, and procedures required to fully implement the Act. As this report notes, technical assistance was provided to the agency during the comprehensive discussions on the implementation of the Act and the new requirements.

Client Satisfaction:

During FY 2000 Client Satisfaction surveys were mailed to 782 vocational rehabilitation clients, 240 (31%) surveys were returned. Client satisfaction surveys were prepared in the consumer medium of choice.

Consumer Response:

140 consumers yes or positive, 90%. To indicate they were satisfied with the services received from DSB. Eighteen (18) consumers responded they were not satisfied with services received, or 8%.

232 consumers indicated they were provided choice in selecting their doctor, hospital training facility or other provider; 8 consumers or 3% responded they were not provided choice.

Copies of the client satisfaction surveys were provided to the vocational rehabilitation counselor. Field Supervisors will follow-up with the counselors by providing training and technical assistance to assure compliance with policy and procedures.

Program Evaluation: DSB contracts for a program evaluation and consumer satisfaction analysis independent of in-house monitoring and satisfaction surveys. This program evaluation will be conducted during the FY 2000 program year. Results of the program evaluation are discussed by the DSB Board, which provided guidance as necessary.

Client Statistics FY 2000:

Vocational Rehabilitation Clients Served: 1194

Successful Rehabilitation Closures: 292

Minorities Served: 324

(b) Unemployment Insurance

[Federal Planning Guidance: Explain the reasons for the areas in which the State's performance is deficient. If a plan was in place the previous fiscal year, provide an explanation of why the actions contained in that plan were not successful in improving performance and an explanation of why the actions now specified will be more successful.]

Although new national federal criteria differentiating satisfactory from unsatisfactory performance is presently under development for the recovery of fraud and nonfraud overpayments, the Arkansas Unemployment Insurance Program has not been able to sustain an acceptable recovery rate under the present standards for some time.

An analysis of Arkansas' failure to attain an acceptable level of performance in the areas of recovery points primarily to long term uncontrollable factors, most notably are certain provisions in our state law. As part of what has been an on-going corrective action plan, Arkansas has consistently called for the amendment of these provisions. Now that legislation was passed in 1999 allowing our agency to offset state income tax returns to collect overpayments, as well as, fully offset future benefits on overpayments that do not involve fraud, our agency's ability to improve the recovery of overpayments overall, has been increased.